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Bulgaria

Oilseeds and Products

Oilseeds and Products Update, October 1999

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Report Highlights:

The MY99/00 sunflower production estimate has been increased to 570,000 MT based on preliminary official and trade data. Bulgarian exports of sunflower seeds are forecasted to reach record levels of up to 150,000 MT despite modest quality.

Includes PSD changes: No

Includes Trade Matrix: No

Unscheduled Report

Sofia[BU1], BU

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Weather

The weather in October was warm and with limited rainfall. It was favorable for the final sunflower harvest.

Production

The AgOffice has revised upward the production estimate for the 1999 sunflower crop to 570,000 MT based on trade estimates and preliminary government data. According to the MinAg, as of mid-October, 97% of sunflower acreage has been harvested and production was reported to be total 570,000 MT including oil bearing (530,000 MT) and confectionary (black&white) sunflower seed (40,000 MT). This estimate is supported by the Union of Oil Processors.

The major reason for this increase is higher yields (1.14 MT/HA) as a result of favorable weather and higher quality seeds (mainly of U.S. origin).

Bulgarian Oilseed Production Estimates and Forecasts						
Crop/Year	Harvested Area (1,000 HA)			Production (1,000 MT)		
	1997	1998	1999F	1997	1998	1999F
Sunflower	450	500	500	500	500	570
Soybeans	6	10	3	10	6	5

Trade and Prices

The good MY99/00 sunflower crop has stimulated high export demand despite generally mediocre quality of sunflower seeds. According to traders, exports should reach a record high level of 150,000 MT in MY1999/00. At the same time, some crushing facilities started to look for imports of higher quality sunflower seeds due to a need for better yield and higher profitability. Therefore, sunflower seeds exports are likely to occur in November- December, 1999 while some imports are expected to happen in the period January - March, 2000.

High export demand forced market prices to increase sharply during the second half of October by about US\$50/MT. The price of sunflower oil increased only 2% to 3%. However, trade sources anticipate further price increases by December, 99.

Commodity Exchange Prices, October 1999		
Commodity/Currency/MT	Bleva/MT	US\$/MT
Oil Bearing Sunflower Seeds	280 - 330	151 - 178
Striped Sunflower Seeds	260 - 270	140 - 145
Soybeans	400	216
Refined Sunflower Oil		
In Bulk	1,000 - 1,150 _■	540 - 621
In Retail Packaging	1,200 - 1,300	648 - 702
Sunflower Meal	156 - 175	84 - 95
Note: Exchange rate as of November 2, 1999, 1.850 Bleva = 1.00 U.S. dollar.		